

JUL 19 2006

BEFORE THE ARIZONA BOARD OF OSTEOPATHIC EXAMINERS

IN THE MATTER OF:

Case No.: 3741

Thomas J. Handeguand, D.O.

CONSENT AGREEMENT AND ORDER FOR SUSPENSION OF LICENSE AND PROBATION

Holder of License No.

For the practice of osteopathic medicine in the
State of Arizona

By mutual agreement and understanding, the Arizona Board of Osteopathic Examiners (hereafter "Board") and Thomas J. Handeguand, D.O. (hereinafter "Respondent"), the parties hereto agree to the following disposition to this matter.

1. Respondent acknowledges that he has read this Stipulation and the attached Consent Order; and, Respondent is aware of and understands the content of these documents.

2. Respondent understands that by entering into this Stipulation, he voluntarily relinquishes any rights to a hearing on the matters alleged as grounds for Board action or to seek judicial review of the consent order in state or federal court.

3. Respondent understands that this Stipulation and Consent Order will not become effective unless approved by the Board and signed by its Executive Director.

4. Respondent further understands that this Stipulation and Consent Order, once approved and signed, shall constitute a public records which will be disseminated as a formal action of the Board as required by A.R.S. §§ 32-1855 (L) and (K).

5. Respondent admits, solely for purposes of this Consent Agreement, to the statement of facts and conclusions of law contained in the Stipulated Consent Order.

1 6. All admissions made by Respondent are solely for final disposition of this matter
2 and any subsequent administrative proceedings or litigation involving the Board and
3 Respondent; and, therefore, said admissions by Respondent are not intended for any other
4 purpose, or for any administrative regulatory proceeding or litigation in another state or federal
5 court.

6 7. Respondent acknowledges and agrees that upon signing and returning this
7 document (or a copy thereof) to the Board's Executive Director, he may not later revoke or
8 amend this Stipulation or any part of the Consent Order, although said Stipulation has not yet
9 been accepted by the Board and issued by its Executive Director, without first obtaining Board
10 approval.

11 REVIEWED AND ACCEPTED this ____ day of July, 2006.

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Thomas J. Handeguan, D.O.

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16 Craig J. Marton, *Attorney for Respondent*
17 (Approving as to form)

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22 **JURISDICTIONAL STATEMENTS**

23 1. The Board is empowered, pursuant to A.R.S. § 32-1800 et seq., to regulate the
24 practice of osteopathic medicine in the State of Arizona, and the conduct of the persons licensed,
25 registered, or permitted to practice osteopathic medicine in the State of Arizona.

 2. Respondent is the holder of License No.2220 issued by the Board for the practice
of osteopathic medicine in the State of Arizona.

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FINDINGS OF FACT

3. On June 23, 2006, the Board received a facsimile from a local pharmacy alleging suspicious prescription activity involving several patients of Respondent, to wit:

- a. Prescriptions were called in for Respondent's patient S.M. and C.K., who is not Respondent's patient. Some of S.M.'s prescriptions and all of C.K.'s were fraudulent.
- b. Similar fraudulent prescriptions were found at three (3) other pharmacies.
- c. When contacted by the pharmacy, Respondent advised them that he had never heard of C.K. and did not authorize any of the prescriptions for C.K. and authorized only some of those for S.M.
- d. It was determined that these prescriptions were being called in by one of Respondent's staff members identified only as "Amy" (later identified as A.M.), who was the spouse of S.M.

4. On June 26, 2006, Respondent was interviewed by Board staff regarding the allegations:

- a. Respondent first became aware of any problem when he received a phone call from the pharmacy. He then talked with A.M.
- b. He advised that A.M. has worked for him for about 10 years. She is a clerical employee working as a receptionist. A.M. and her husband S.M. are both patients of his. He said S.M. recently had surgery for a cyst, and they have both been under his care for a variety of things. He stated that C.K. was not his patient, and he never heard of him prior to the call from the pharmacy.
- c. Respondent was asked if he was taking any medication. He said he was under prescription for Hydrocodone, Soma and Ambien for low back pain and sleeping problems. He advised that this was from a prescription written by his personal doctor, who is Dr. David Manzanares, M.D.

5 On June 26, 2006, A.M. was interviewed by Board staff regarding the allegations:

- a. A.M. stated she has an addiction problem and has been calling in large quantities of Vicodin for her husband S.M., herself, and C.K., a friend who works with her husband.
- b. She advised that she has been working for Respondent for about 6 years. She has been addicted for about a year and is taking 10-12 Vicodin ES per day. S.M. takes 20-30 per day, but she is not sure how much C.K. takes on a daily basis. She stated that Respondent has been prescribing for her for about 1 ½ years for bad headaches.

- 1 c. When he confronted her on 6/23/06, A.M. told Respondent everything.
2 She told him that she had an abuse problem, and that she had been calling
3 in prescriptions for S.M.'s friend C.K. She claimed that the prescriptions
4 she called in for herself and S.M. were approved by Respondent. She
5 claimed she never called in a prescription for herself or S.M. that the
6 doctor did not first give an approval for, and she asserted that Respondent
7 initialed the written request each time, either by writing "OK" or his
8 initials to the written slip.
9 d. She advised that she would use 5 different pharmacies to obtain the
10 prescriptions and would use Walgreen's for her insurance claim. The other
11 pharmacies would be cash.
12 e. A.M. stated she has not been formally seen for any disorder by Respondent
13 since 2004 but she saw him daily as an employee. Her husband had seen
14 him regularly however, and has had back surgery about a week prior to the
15 interview. She admitted that Respondent knew absolutely nothing about
16 C.K. She would simply call those in on her own without the Respondent's
17 consent or knowledge.
18 f. Respondent gave her advice as to where to turn to for help. She said he
19 told her about an addiction specialist in Prescott Valley, and also told her
20 she could also get help from Good Samaritan Hospital.

21 6. Respondent was then reinterviewed by Board staff regarding the allegations:

- 22 a. Respondent stated that the last time he had examined A.M. was on
23 10/08/04. He stated that he discussed the matter of unauthorized
24 prescribing with A.M., after receiving the call from the pharmacy, and
25 pulled her off the phones. He continued to deny any prior knowledge of
any addiction by A.M.
b. Respondent then admitted that he was not under prescription for Ambien,
but had self medicated himself with samples in his office. The
Hydrocodone and Soma were under prescriptions by Dr. Manzanares.
Respondent was ordered to provide a urine sample.
c. Subsequently, the Board staff learned that the Respondent had been
abusing Hydrocodone and Soma.

7. On June 28, 2006, Respondent voluntarily checked himself into a
rehabilitation facility and informed the Board, through his wife, of his admission and his abuse
of medications.

CONCLUSIONS O F LAW

1. Pursuant to A.R.S. § 32-1800, et seq. the Arizona Board of Osteopathic
Examiners in Medicine and Surgery has subject matter and personal jurisdiction in this matter.

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2. The conduct and circumstances described in paragraphs 3 through 6 above constitute unprofessional conduct as defined in the following paragraphs of A.R.S. § 32-1854:

(5) Prescribing, dispensing, or administering controlled substances or prescription only drugs for other than accepted therapeutic reasons.

(22) Using controlled substances or prescription-only drugs unless they are provided by a medical practitioner, . . ., as part of a lawful course of treatment.

(34) Lack of or inappropriate direction, collaboration or supervision of a licensed, certified or registered health care provider or office personnel employed by or assigned to the physician in the medical care of patients.

(36) Prescribing or dispensing controlled substances or prescription-only medications without establishing and maintaining adequate patient records.

(39) Any conduct or practice that impairs the licensee's ability to safely and skillfully practice medicine or that may reasonably be expected to do so.

ORDER

NOW, THEREFORE, IT IS AGREED AND ORDERED AS FOLLOWS:

1. Thomas J. Handeguand, D.O. ("Respondent"), Board license No. 2220 shall be **SUSPENDED** from the practice of osteopathic medicine and surgery until he has complied with the following terms and conditions of this agreement:

- a. Respondent will successfully complete the in-patient evaluation for possible alcohol or chemical dependency at a facility approved by the Board. Should the Board approved facility find an assessment of chemical or alcohol dependency, Respondent will follow the recommendations for treatment.
- b. Respondent will develop a plan for aftercare treatment and monitoring which shall include, but may not be limited to, individual and/or group counseling sessions, random body fluid testing, agreement for release of treatment records and reports to the Board, prohibition of the use of alcohol and controlled substances unless the latter is prescribed or coordinated by his treating physician, and regular meeting with the Board, and submit this plan to the Board for its approval.

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2 2. Respondent will sign a release authorizing personnel at any subsequent treatment
3 facility, counselor, treatment professional or doctor to inform the Board of his progress as to his
4 in-patient evaluation and any in-patient treatment program and will provide the Board with a
5 copy of any and all records pertinent to his diagnosis and treatment while a patient at said facility
6 and upon discharge.

7 3. Upon written request by the Respondent, Respondent will meet with the Board
8 upon reasonable notice after discharge from approved treatment facility to discuss his
9 compliance with this agreement and to discuss whether or not he should resume the practice of
10 osteopathic medicine and the terms and conditions under which he will be allowed by the Board
11 to resume the practice of osteopathic medicine and surgery in the State of Arizona.

12 4. If Respondent is allowed to resume the practice of medicine, Respondent will be
13 placed under **PROBATION** for five (5) years from the date of this order and he shall comply
14 with the terms and conditions of probation as set forth herein:
15

16 5. Respondent will develop a plan for aftercare treatment and monitoring which
17 shall include, but may not be limited to, individual and/or group counseling sessions, random
18 body fluid testing, agreement for release of treatment records and reports to the Board,
19 prohibition of the use of alcohol and controlled substances unless the latter is prescribed or
20 coordinated by his treating physician, and submit this plan to the Board's Executive Director for
21 approval.

22 6. From the date of this Order, Respondent shall obtain psychiatric or psychological
23 treatment by a therapist(s) who is either a licensed psychiatrist and/or psychologist and is
24 selected by Respondent and approved by the Board's Executive Director. Respondent shall
25 comply with the therapist recommendation for the frequency of therapy treatment sessions.

1 Respondent shall inform the Board by letter (mailed within twenty days of his discharge from the
2 treatment facility) of the therapist's name; and, Respondent shall undertake and fully cooperate
3 with a program of treatment established by the therapist. In the event Respondent changes
4 therapists, he shall give the Board written notice within ten (10) days of said action. Respondent
5 shall not discontinue or reduce the frequency of psychotherapy sessions until he has submitted a
6 written request to the Board and obtained Board approval.

7 7. Respondent's therapist(s) shall receive a copy of this Order and Board staff shall
8 cooperate with and disclose all relevant information in the Board's files concerning Respondent.
9 The treating therapist shall be directed by Respondent to send to the Board a detailed written
10 progress report every month for the remainder of the probation; and Respondent, shall waive any
11 confidentiality concerning his psychotherapy in order that the Board may receive full disclosure
12 of information. The expense of the aforementioned therapy and the reports to the Board by
13 Respondent's therapist shall be the sole responsibility of the Respondent.

14 8. Respondent shall provide a copy of this Order and any subsequent Orders to all
15 facilities where Respondent is currently (or subsequently) employed as a physician and/or has (or
16 subsequently receives) privileges to engage in the practice of medicine. Respondent shall
17 provide a copy of this Order to all of his treating physicians, dentists and or health care
18 professionals. Respondent shall continue to make the aforementioned disclosure and provide
19 copies of this Consent Order until the expiration of this Order.

20 9. Respondent shall abstain completely from the consumption of alcoholic beverages
21 or any substance with alcohol (i.e. cough syrups); and, Respondent shall not consume illicit
22 drugs or take any controlled substances (i.e., prescription only drugs), unless his treating
23 physician prescribes such medication for him with the awareness that Respondent has this
24 substance abuse problem. Respondent shall maintain a monthly log (for the duration of
25

1 probation) of all prescription only drugs taken by him and such log shall include the following
2 information:

- 3 (a) the name of the medication;
- 4 (b) name of prescribing physician;
- 5 (c) reason for the medication.

6 At the first of each month, Respondent shall report by letter to the Board whether or not
7 he is taking any prescription only medication and, if so, a copy of his log reflecting the above
8 information.

9 10. Respondent shall also, as part of his probation: (A) submit to and cooperate in
10 any reasonably required independent medical or psychological evaluation that is ordered by the
11 Board for Respondent and conducted by the Board's designated physician and/or psychologist
12 which shall be paid for by Respondent; and (B) appear before the Board, upon receipt of a
13 request by written or telephonic notification from the Board's executive director which shall be
14 given at least five (5) days prior to the Board meeting; and, (C) submit to random biological fluid
15 testing and promptly provide (i.e., within sixty (60) minutes of notification unless excused by the
16 Board's executive director) required biological fluids for testing and said testing shall be done at
17 the Respondent's expense.

18 11. Respondent shall participate in a minimum of ninety (90) self-help meetings
19 through such organizations as A.A., N.A., C.A. and doctor's Caduceus group in ninety (90) days.
20 Respondent shall keep a log of all meetings attended and have the log signed by the chairperson
21 of the meeting. Respondent will provide the Board with a copy of the signed log the first of
22 every month.

23 12. In the event Respondent moves and ceases to practice medicine in Arizona, he
24 shall give written notice to the Board of his new residence address within twenty (20) days of
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1 moving; and, the terms and duration of probation may be stayed by the Board until Respondent
2 returns to practice medicine in Arizona.

3 13. Respondent shall pay for all expenses associated with the continued monitoring of
4 this matter.

5 14. Respondent shall continue to meet all licensing requirements such as continuing
6 medical education and renewal requirements including applicable fees pursuant to A.R.S. § 32-
7 1825.

8 15. Respondent's failure to comply with the requirements of this Order shall
9 constitute unprofessional conduct as defined at A.R.S. § 32-1854(26), as amended, and may be
10 considered as grounds for further disciplinary action (e.g., suspension or revocation of license) in
11 the event that Respondent fails to comply with any of the requirements of this Order.

12 16. Respondent may have his license to practice as an osteopathic physician
13 restricted, suspended or revoked by the Board in the future if:

- 14 (a) The Board finds that Respondent does not have the requisite mental, physical and
15 emotional fitness to safely continue the practice of medicine; or,
16 (b) There are new grounds for finding unprofessional conduct concerning
Respondent; or,
17 (c) Fails to comply fully with the terms and conditions of this Order.



22 ISSUED THIS 22nd DAY OF AUGUST, 2006.

23 STATE OF ARIZONA
24 BOARD OF OSTEOPATHIC EXAMINERS IN
25 MEDICINE AND SURGERY

By: _____

Jack Confer, Executive Director

Original "Consent Agreement And Order For Suspension Of License And Probation"
22 filed this 22nd day of AUGUST, 2006 with the:

23 Arizona Board of Osteopathic Examiners
24 In Medicine and Surgery
25 9535 East Doubletree Ranch Road
Scottsdale AZ 85258-5539

1 Copy of the foregoing "Consent Agreement And Order For Suspension Of License And
2 Probation" sent via certified, return receipt requested
this 2ND day of AUGUST, 2006 to:

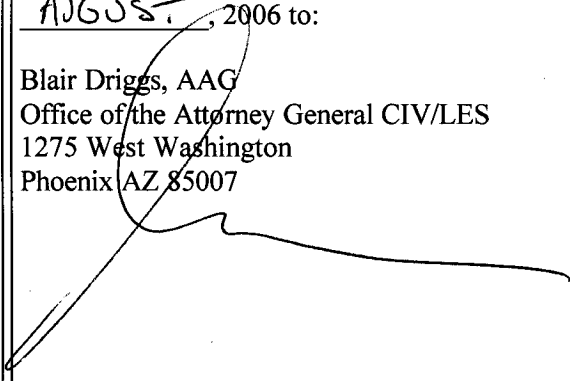
3 Thomas J. Handeguand, D.O.
4 8618 North 35th Avenue Suite 1
5 Phoenix, AZ 85051

6 And to

7 Kraig J. Marton
8 Jaburg & Wilk
9 3200 North Central #2000
Phoenix, AZ 85012
Attorney for Dr. Handeguand

10 Copies of the foregoing "Consent Agreement And Order For Suspension Of License And
11 Probation" sent via regular mail this 2ND day of
AUGUST, 2006 to:

12 Blair Driggs, AAG
13 Office of the Attorney General CIV/LES
14 1275 West Washington
15 Phoenix AZ 85007



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